Southern District of Florida

Press Release

TWO MASTERVEND MARKETING, INC. DEFENDANTS PLEAD GUILTY TO CONSPIRACY TO COMMIT WIRE FRAUD

February 07, 2007

FOR IMMEDIATE RELEASE

R. Alexander Acosta, United States Attorney for the Southern District of Florida, and Henry Gutierrez, Inspector in Charge, Miami Division, United States Postal Inspection Service, announce that defendants **Evans Eric Baros**, **Jr.** and **Dana Kerri Elmowitz** Pearl pled guilty today to one count of an Indictment pending against them, charging conspiracy to commit wire fraud. Defendants Baros and Pearl are scheduled to be sentenced on April 6, 2007 at 1:30 pm, before U.S. District Court Judge Ursula Ungaro-Benages, in Miami, Florida.

Baros and Pearl worked for MasterVend Marketing, Inc. ("MasterVend"), a North Miami Beach company that purportedly sold candy and "snack and soda" vending machine business opportunities to consumers across the United States.

MasterVend was in business from January 2004 until February 2005. According to the Indictment, potential purchasers were told that MasterVend was a profitable business opportunity when there was no basis for such a claim; that 80% of MasterVend business opportunity purchasers had ordered additional vending machines from MasterVend, when there were no repeat buyers; and that MasterVend would help secure high-traffic, profitable locations for its distributors to place their vending machines in the distributor's respective local areas, when MasterVend knew that buyers were not receiving high-traffic, profitable locations.

Potential purchasers were also told that certain references had previously purchased one or more vending machines from MasterVend, when those references did not pay for their vending machines and did not operate their own MasterVend vending machines.

Baros was the owner, President, and a salesman for MasterVend. Pearl was a paid reference for MasterVend. According to the Indictment, it was the purpose of the conspiracy for Baros and Pearl to unlawfully enrich themselves by obtaining money from potential purchasers by making materially false representations concerning expected profits, the services provided to purchasers, and the authenticity of MasterVend references.

The MasterVend conspiracy victimized over 35 people and caused more than \$300,000 in victim losses. The MasterVend prosecution is part of an ongoing crackdown on business opportunity fraud in South Florida that is being carried out by the United States Department of Justice, the United States Attorney's Office in Miami, the United States Postal Inspection Service, and the Federal Trade Commission.

Mr. Acosta commended the investigative efforts of the United States Postal Inspection Service. The case is being prosecuted by Jeffrey Steger, Trial Attorney, United States Department of Justice, Office of Consumer Litigation.

A copy of this press release may be found on the website of the United States Attorney's Office for the Southern District of Florida at http://www.usdoj.gov/usao/fls. Related court documents and information may be found on the website of the District Court for the Southern District of Florida at http://www.flsd.uscourts.gov or on http://pacer.flsd.uscourts.gov.

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